

To the Members of the California State Assembly:

I am returning Assembly Bill 1110 without my signature.

The Budget Act of 2005 includes \$24.3 million in growth and COLA for home-to-school transportation. While I support the funding of growth and COLA for education programs when resources are available, requiring automatic spending increases in this program every year would restrict an Administration's and the Legislature's fiscal flexibility and would create new General Fund cost pressures, constraining the state's ability to prioritize school funding.

As I stated in my veto message to the author's similar bill last year, it would be irresponsible governance to restrict a future Administration and Legislature's fiscal flexibility by requiring automatic spending increases on this program every year.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger